



DEPARTMENT OF THE AIR FORCE  
WASHINGTON, DC

OFFICE OF THE ASSISTANT SECRETARY

MEMORANDUM FOR SEE DISTRIBUTION

July 1, 2004

FROM SAF/FMBIS  
1130 Air Force Pentagon  
Washington DC 20330-1130

SUBJECT: FY 05/06 Budget Call - Foreign Military Sales (FMS)/Logistics Support Expense (LSE) and Foreign Military Financing (FMF) Administrative Budget (SUSPENSE: 26 July 04)

This memorandum transmits the Air Force FY 05/06 Budget Call for FMS/LSE and FMF administrative budgets. The purpose of the Budget Call is to request your FY 05/06 submission for FMS/LSE and FMF administrative resource requirements. Your budget submission provides a vehicle to identify current requirements and program changes. The information you provide assists in defending Air Force requirements to Defense Security Cooperation Agency (DSCA) and will be used to justify the Presidential Budget request to the Office of Management and Budget (OMB). There are changes from previous calls to the format and reporting requirements. Therefore, it is imperative that you read all instructions and attachments in order to properly prepare the required documents.

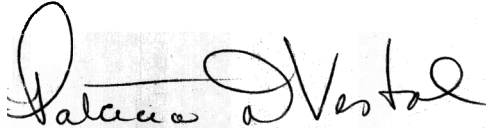
To assist in preparing your submission we will provide Budget Call instructions (Atch 2) and excel spreadsheets with pre-populated financial data along with narrative justifications (Atch 3) via email to each MAJCOM. Because the narratives contain generalized statements, you should make revisions based on your specific program requirements using the instructions and Program Element definitions (Atch 5). Likewise, you will need to use the instructions to make revisions to the financial data that contains your Budget Planning Level (BPL). It includes the civilian pay raise and inflation based on the DSCA and OMB guidelines.

In addition, copies of OMB Circular Number A-11 "Section 83 – Object Classification (Max Schedule 0) (Atch 6), the "FMS Administrative/Logistics Support Expense Budget Execution Plan – Specific Costs to be Included or Excluded" (Atch 7), FMS Admin and Logistics Support Expense Organizations (Atch 8), FMS Admin Budget Definitions (Atch 9) and Pay and Inflation Rate Assumptions (Atch 10) will be emailed to help in your submission preparation. If you have additional questions regarding object classifications, please refer to OMB Circular Number A-11, Section 83-1 which can be found at the following web address: <http://www.whitehouse.gov/omb/circulars/>.

The FY 05 funding amount is firm -- DSCA will not accept Above Target Requirements (ATRs). Therefore, we will not accept any ATR for the FY 05 Budget. DSCA may entertain additional requirements at mid-year; if this is possible, you will be advised at the appropriate time. As you will notice, the FY 06 BPL is held at the FY 05 level. At this time FY 06 funding looks very austere. Nevertheless, you may submit ATRs for FY 06 (Atch 4), but they **must**

relate directly to the Global War on Terrorism (GWOT) to be considered. Your justification and impact statements for any FY 06 ATR must clearly articulate how the requirement(s) relate to the GWOT. The information must provide specific "cause-effect" rationale.

The suspense date for your budget submission to SAF/FMBIS is Monday, 26 July 04. This date is crucial to meet the Air Staff and DSCA review schedules. During these reviews, questions regarding your submission will require your prompt response to avoid any delay in finalizing the FMS/LSE and FMF budget. Request you email your submission in the required format to Ms. Amy McDowell, SAF/FMBIS at: [amy.mcdowell@pentagon.af.mil](mailto:amy.mcdowell@pentagon.af.mil). If you have any questions, Ms. McDowell can be contacted at DSN 227-6672 or commercial 703-697-6672.



PATRICIA D. VESTAL  
Assistant for Security Assistance  
Deputy Assistant Secretary (Budget)

Attachments:

1. Distribution List
2. FY 05/06 FMS/LSE and FMF Admin Budget  
Call Instructions (separate cover)
3. Budget Planning Levels (BPL) in Excel  
Required Format with Program Element  
Narrative (separate cover)
4. Above Target Requirements for FY 06 in Excel  
Required Format (separate cover)
5. Program Element Definitions (separate cover)
6. OMB Circular Number A-11 Section 83 -  
Object Classification (Max Schedule O)  
(separate cover)
7. FMS Administrative/Logistics Support Expense  
Budget Execution Plan - Specific Costs to be  
Included/Excluded (separate cover)
8. FMS Admin and Logistic Support Expense  
Organizations (separate cover)
9. FMS Admin Budget Definitions (separate  
cover)
10. Pay and Inflation Rate Assumptions (separate  
cover)

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